

Fill in this information to identify the case:

Debtor 1 Mary Ann Grutza

Debtor 2
(Spouse, if filing) _____

United States Bankruptcy Court for the: Eastern District of Michigan

Case number 1945285

Official Form 410S1

Notice of Mortgage Payment Change

12/15

If the debtor's plan provides for payment of postpetition contractual installments on your claim secured by a security interest in the debtor's principal residence, you must use this form to give notice of any changes in the installment payment amount. File this form as a supplement to your proof of claim at least 21 days before the new payment amount is due. See Bankruptcy Rule 3002.1.

Name of creditor:
Wells Fargo Bank, N.A.

Court claim no. (if known): 4

Date of payment change:

Must be at least 21 days after date of this notice

12/01/2020

New total payment:

Principal, interest, and escrow, if any \$ 578.91

Last 4 digits of any number you use to identify the debtor's account:

4 5 5 3

Part 1: Escrow Account Payment Adjustment

1. Will there be a change in the debtor's escrow account payment?

- ☐ No
- ☒ Yes. Attach a copy of the escrow account statement prepared in a form consistent with applicable nonbankruptcy law. Describe the basis for the change. If a statement is not attached, explain why:

Current escrow payment: \$ 332.07

New escrow payment: \$ 316.40

Part 2: Mortgage Payment Adjustment

2. Will the debtor's principal and interest payment change based on an adjustment to the interest rate on the debtor's variable-rate account?

- ☒ No
- ☐ Yes. Attach a copy of the rate change notice prepared in a form consistent with applicable nonbankruptcy law. If a notice is not attached, explain why:

Current interest rate: _____%

New interest rate: _____%

Current principal and interest payment: \$ _____

New principal and interest payment: \$ _____

Part 3: Other Payment Change

3. Will there be a change in the debtor's mortgage payment for a reason not listed above?

- ☒ No
- ☐ Yes. Attach a copy of any documents describing the basis for the change, such as a repayment plan or loan modification agreement.
(Court approval may be required before the payment change can take effect.)

Reason for change:

Current mortgage payment: \$ _____

New mortgage payment: \$ _____

Part 4: Sign Here

The person completing this Notice must sign it. Sign and print your name and your title, if any, and state your address and telephone number.

Check the appropriate box.



I am the creditor.



I am the creditor's authorized agent.

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

X/s/Emily Marchino

Signature

Date 10/27/2020Print: MARCHINO, EMILY

First Name

Middle Name

Last Name

VP Loan Documentation

Title

Company Wells Fargo Bank, N.A.Address MAC N9286-01Y

Number

Street

1000 Blue Gentian Road

Address 2

Eagan

MN

55121-7700

City

State

ZIP Code

Contact phone 800-274-7025NoticeOfPaymentChangeInquiries@wellsfargo.com

Email



Return Mail Operations
PO Box 14547
Des Moines, IA 50306-4547

MARY ANN GRUTZA
13031 TECUMSEH
REDFORD MI 48239-2742

Escrow Review Statement

For informational purposes only

Statement Date: October 8, 2020

Loan number:

Property address:

13031 TECUMSEH
REDFORD MI 48239

Customer Service



Online
wellsfargo.com



Telephone
1-800-340-0473



Correspondence
PO Box 10335
Des Moines, IA 50306



Hours of operation
Mon - Fri 7 a.m. - 7 p.m. CT



To learn more, go to:
wellsfargo.com/escrow

We accept telecommunications relay service calls

PLEASE NOTE: If you are presently seeking relief (or have previously been granted relief) under the United States Bankruptcy Code, this statement is being sent to you for informational purposes only. The summaries below are based on the terms of the loan and are provided for informational purposes only.

These amounts are governed by the terms of the loan unless otherwise reduced by an order of the bankruptcy court. Because the amounts billed for the escrow items can change over time, we review the escrow account at least once per year to ensure there will be enough money to make these payments. Once the review is complete, we send the escrow review statement, also known as the escrow account disclosure statement.

Here's what we found:

- **Required Minimum Balance:** The escrow account balance is projected to fall below the required minimum balance. This means there is a **shortage**.
- **Payments:** As of the **December 1, 2020** payment, the contractual portion of the escrow payment **decreases**.

The escrow account has a shortage of
\$101.12

Part 1 - Mortgage payment

Option 1

Pay the shortage amount over 12 months

	Previous payment through 11/01/2020 payment date	New payment beginning with the 12/01/2020 payment
Principal and/or interest	\$262.51	\$262.51
Escrow payment	\$332.07	\$324.83
Total payment amount	\$594.58	\$587.34

Option 1: No action required

Starting **December 1, 2020** the new contractual payment amount will be **\$587.34**

Option 2

Pay the shortage amount of \$101.12

	Previous payment through 11/01/2020 payment date	New payment beginning with the 12/01/2020 payment
Principal and/or interest	\$262.51	\$262.51
Escrow payment	\$332.07	\$316.40
Total payment amount	\$594.58	\$578.91

Option 2: Pay shortage in full

Starting **December 1, 2020** the new contractual payment amount will be **\$578.91**

See Page 2 for additional details.



MARY ANN GRUTZA

Wells Fargo Home Mortgage
PO Box 14538
Des Moines, IA 50306-3538

Note: If you are presently seeking relief (or have previously been granted relief) under the United States Bankruptcy Code, this coupon is being provided for informational purposes only. If your Chapter 13 plan calls for your Chapter 13 Trustee to make the on-going post-petition mortgage payments, please contact your attorney or the Trustee's office before directly sending any amounts relating to this escrow shortage

If you choose to pay the shortage in full as referenced in Option 2, detach this coupon and mail it along with a check for \$101.12 to the address that appears on this coupon.

This payment must be received no later than **December 1, 2020**.

Part 2 - Payment calculations

For the past review period, the amount of the escrow items was \$1,985.93. For the coming year, we expect the amount paid from escrow to be \$3,796.71.

How was the escrow payment calculated?

To determine the escrow payment, we add the projected escrow items to be paid over the next 12 months. We base these projected amounts on any escrow items that may have been paid in the past and any future anticipated payments to be made. We then divide the amounts by 12 payments to determine the escrow amount.

The chart below includes any actual escrow disbursements as well as any shortage that may have been identified for the past three analysis periods up through the date of the analysis.

Escrow comparison

	06/18 - 05/19 (Actual)	05/19 - 04/20 (Actual)	06/20 - 10/20 (Actual)	12/20 - 11/21 (Projected)		# of months		New monthly escrow amount
Property taxes	\$2,066.11	\$2,238.31	\$768.02	\$2,258.59	÷	12	=	\$188.22
Property insurance	\$1,039.00	\$989.00	\$980.00	\$980.00	÷	12	=	\$81.67
Total taxes and insurance	\$3,105.11	\$3,227.31	\$1,748.02	\$3,238.59	÷	12	=	\$269.89
Escrow shortage	\$17.67	\$0.00	\$183.20	\$101.12	÷	12	=	\$8.43**
Mortgage insurance	\$594.48	\$580.60	\$237.91	\$558.12	÷	12	=	\$46.51
Total escrow	\$3,717.26	\$3,807.91	\$2,169.13	\$3,897.83	÷	12	=	\$324.83

**This amount is added to the payment if Option 1 on page 1 is selected.

Projected escrow account activity over the next 12 months

To determine if there will be a shortage or overage in the account, we calculate whether the amount of the lowest projected escrow balance will be greater or less than the required minimum balance. This is determined by subtracting the required minimum balance from the lowest projected balance. If the outcome is positive, there is an overage. If it is negative, there is a shortage. The calculation is below:

Lowest projected escrow balance December, 2020		\$379.23	(Calculated in Part 3 - Escrow account projections table)
Bankruptcy adjustment [†]	+	\$59.43	
Minimum balance for the escrow account [†]	-	\$539.78	(Calculated as: \$269.89 X 2 months)
Escrow shortage	=	-\$101.12	

[†]This adjustment of \$59.43, is the remaining amount of the pre-petition escrow shortage included in our proof of claim being paid through the confirmed bankruptcy plan.

[†]The minimum balance includes a cash reserve to help cover any increase in taxes and/or insurance. To calculate the cash reserve for the escrow account, we add the yearly escrow payments, and divide by 12 (this amount does not include mortgage insurance). We take this amount and multiply it by 2 as allowed by state laws and/or the mortgage contract to determine the cash reserve.

Part 3 - Escrow account projections

Escrow account projections from December, 2020 to November, 2021

Date	Payments to escrow	What we expect to pay out	Description	Projected escrow balance	Balance required in the account
Nov 2020			Starting balance	\$1,599.91	\$1,760.46
Dec 2020	\$316.40	\$46.51	FHA Insurance	\$1,869.80	\$2,030.35
Dec 2020	\$0.00	\$1,490.57	REDFORD TOWNSHIP	\$379.23	\$539.78
Jan 2021	\$316.40	\$46.51	FHA Insurance	\$649.12	\$809.67
Feb 2021	\$316.40	\$46.51	FHA Insurance	\$919.01	\$1,079.56
Mar 2021	\$316.40	\$46.51	FHA Insurance	\$1,188.90	\$1,349.45
Apr 2021	\$316.40	\$46.51	FHA Insurance	\$1,458.79	\$1,619.34
May 2021	\$316.40	\$46.51	FHA Insurance	\$1,728.68	\$1,889.23
Jun 2021	\$316.40	\$46.51	FHA Insurance	\$1,998.57	\$2,159.12
Jul 2021	\$316.40	\$46.51	FHA Insurance	\$2,268.46	\$2,429.01
Aug 2021	\$316.40	\$46.51	FHA Insurance	\$2,538.35	\$2,698.90
Aug 2021	\$0.00	\$768.02	REDFORD TOWNSHIP	\$1,770.33	\$1,930.88
Sep 2021	\$316.40	\$46.51	FHA Insurance	\$2,040.22	\$2,200.77
Oct 2021	\$316.40	\$46.51	FHA Insurance	\$2,310.11	\$2,470.66
Oct 2021	\$0.00	\$980.00	STATE FARM INS	\$1,330.11	\$1,490.66
Nov 2021	\$316.40	\$46.51	FHA Insurance	\$1,600.00	\$1,760.55
Totals	\$3,796.80	\$3,796.71			

Part 4 - Escrow account history

Escrow account activity from June, 2020 to November, 2020

Date	Deposits to escrow			Payments from escrow			Description	Escrow balance		
	Actual	Projected	Difference	Actual	Projected	Difference		Actual	Projected	Difference
Jun 2020							Starting Balance	-\$1,131.08	\$1,882.56	-\$3,013.64
Jun 2020	\$307.89	\$316.80	-\$8.91	\$0.00	\$47.85	-\$47.85	FHA Insurance	-\$823.19	\$2,151.51	-\$2,974.70
Jun 2020	\$0.00	\$0.00	\$0.00	\$47.85	\$0.00	\$47.85	FHA Insurance	-\$871.04	\$2,151.51	-\$3,022.55
Jul 2020	\$307.89	\$316.80	-\$8.91	\$0.00	\$47.85	-\$47.85	FHA Insurance	-\$563.15	\$2,420.46	-\$2,983.61
Jul 2020	\$0.00	\$0.00	\$0.00	\$47.85	\$0.00	\$47.85	FHA Insurance	-\$611.00	\$2,420.46	-\$3,031.46
Aug 2020	\$307.89	\$316.80	-\$8.91	\$0.00	\$47.85	-\$47.85	FHA Insurance	-\$303.11	\$2,689.41	-\$2,992.52
Aug 2020	\$0.00	\$0.00	\$0.00	\$768.02	\$747.74	\$20.28	REDFORD TOWNSHIP	-\$1,071.13	\$1,941.67	-\$3,012.80
Aug 2020	\$0.00	\$0.00	\$0.00	\$47.85	\$0.00	\$47.85	FHA Insurance	-\$1,118.98	\$1,941.67	-\$3,060.65
Sep 2020	\$615.78	\$316.80	\$298.98	\$47.85	\$47.85	\$0.00	FHA Insurance	-\$551.05	\$2,210.62	-\$2,761.67
Sep 2020	\$0.00	\$0.00	\$0.00	\$980.00	\$0.00	\$980.00	STATE FARM INS	-\$1,531.05	\$2,210.62	-\$3,741.67
Oct 2020 (estimate)	\$2,891.91	\$316.80	\$2,575.11	\$0.00	\$47.85	-\$47.85	FHA Insurance	\$1,360.86	\$2,479.57	-\$1,118.71
Oct 2020	\$0.00	\$0.00	\$0.00	\$0.00	\$989.00	-\$989.00	STATE FARM INS	\$1,360.86	\$1,490.57	-\$129.71
Oct 2020	\$0.00	\$0.00	\$0.00	\$46.51	\$0.00	\$46.51	FHA Insurance	\$1,314.35	\$1,490.57	-\$176.22
Nov 2020 (estimate)	\$332.07	\$316.80	\$15.27	\$46.51	\$47.85	-\$1.34	FHA Insurance	\$1,599.91	\$1,759.52	-\$159.61
Totals	\$4,763.43	\$1,900.80	\$2,862.63	\$2,032.44	\$2,023.84	\$8.60				

Mortgage insurance premium annual notice

You're currently making mortgage insurance premium (MIP) payments as part of your monthly payment. However, you may be able to remove your MIP early and reduce your payment if certain conditions apply.

What is mortgage insurance?

- The Federal Housing Administration (FHA) required you to have mortgage insurance because your down payment was less than 20 percent of your loan.
- This type of insurance protects the lender's investment, unlike property insurance which protects you. For example, if your loan were to go into foreclosure, mortgage insurance will help the FHA recoup its investment.

What you need to know

- You may be able to request early cancellation of your MIP if your loan meets the following conditions:
 - Your loan is at least 5 years old.
 - The unpaid balance of your loan is less than or equal to 78% of either your property's original value or your purchase price at closing, whichever is less. We call this percentage your loan-to-value (LTV) ratio.
 - You haven't had any 30-day late payments in the past 12 months.
- If your home is a condominium or covered under certain government programs, you do not have early cancellation options.
- If you're working with us on payment assistance or your loan has had a partial claim, this may affect your options. Please contact us if you want to know whether you can delete your MIP while on payment assistance.

What you can do

- If you meet these requirements, please contact us at the phone number provided on the front of the statement.
- Once you've submitted your request, we'll confirm if you have early cancellation options and will cancel your MIP if eligible.
- If you don't meet the requirements, we'll let you know if you have any options to cancel, and any further action you can take.

We're here for you

You can view up-to-date information about your mortgage at the website in the account information section of this letter. If you have any questions or would like to learn more about your specific investor options, please contact us. We accept relay calls. Contamos con representantes que hablan español.